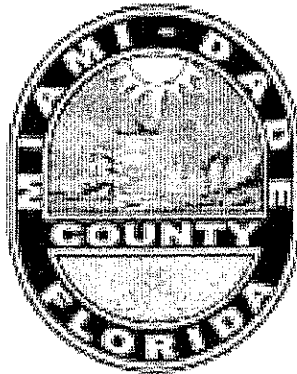


Miami Dade County

Stephen P. Clark Government Center
111 N.W. 1st Street
Miami, Fl. 33128



LEGISLATIVE ANALYSIS

Thursday June 17, 2004
2:00 PM
Commission Chambers

Board of County Commissioners

Transportation Committee

Transportation ITEM
June 17, 2004

Surtax Use

The following items on this agenda are to be funded though the Charter County Transportation Surtax.

Item	Department	Contractor	Type of Work	Location	Amount
3(P)	Public Works	H & J Asphalt	Resurfacing	Countywide	\$1,000,000
3(Q)	Public Works	H & R Paving	Resurfacing	Countywide	\$1,000,000
3(R)	Public Works	H & R Paving	Resurfacing	NW 135 St.	\$1,000,000
3(S)	Public Works	Fortex Construction	Pavement Striping	Countywide	\$500,000
3(T)	Public Works	McCain Sales of Fl.	Signage	Countywide	\$600,000
3(U)	Public Works	General Asphalt	Resurfacing	Countywide	\$1,000,000
3(V)	Public Works	Adventure Environmental	ADA Sidewalks	Various Districts	\$500,000
Total					\$5,600,000

Item 3(O)

Since the "Maintenance of Effort", regarding General Fund Support for Miami-Dade Transit was established with the current contract of \$57.8 million in mind, it is reasonable to assume that MDT will need to find an additional funding source to cover the \$31.7 million difference between the current contract and the new contract before you today

Because MDT does not generate enough revenues from fares to cover the operational costs of the Department, the BCC must assume that a large portion, if not all, of the additional costs associated with the new contract will be funded from the .5% Transit Surtax.

Possible impact on .5% Surtax from item 3(O) \$31,700,000

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

Item 1(E)(6) REPORT ON NEGOTIATION OF CONCESSION AND LEASE AGREEMENT FOR CONSOLIDATED RENTAL CAR FACILITY AT MIAMI INTERNATIONAL AIRPORT

Item 1(F)(3) ORDINANCE RELATING TO RULES AND REGULATIONS OF THE MIAMI-DADE AVIATION DEPARTMENT; AMENDING CHAPTER 25-4.1(f) OF THE MIAMI-DADE COUNTY CODE TO INCREASE THE MAXIMUM AMOUNT OF THE CUSTOMER FACILITY CHARGE THAT RENTAL CAR COMPANIES OPERATING AT MIAMI INTERNATIONAL AIRPORT MUST COLLECT FROM CUSTOMERS DURING THE PERIOD OF TIME THAT PRECEDES COMPLETION OF THE RENTAL CAR FACILITY; AUTHORIZING AVIATION DEPARTMENT TO AMEND THE APPLICABLE OPERATIONAL DIRECTIVE TO INCORPORATE SUCH INCREASE IN CUSTOMER FACILITY CHARGE; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

Aviation Department

Item 1(E)(6) provides a status report on Miami International Airport (MIA) Consolidated Rental Car Facility (RCF) space allocation and background information on the Customer Facility Charge (CFC) that MIA's rental car company customers pay, per Sec. 25-4.1(f) of the Code, to reimburse the Aviation Department (MDAD) for specified RCF-related construction and operating expenses. (A copy of Sec. 25-4.1(f) is appended as Attachment #1.) The item also provides the rationale for an immediate increase of the daily CFC from \$3 to \$3.25 and projects increases to \$4 upon completion of the RCF followed by \$0.25 every five years thereafter.

Item 1(F)(3) is a proposed ordinance to amend Section 25-4.1(f)(5) of the Code to implement the immediate increase in the daily CFC to not exceed \$3.25 as described in **Item 1(E)(6)** and as further described in the County Manager's memorandum recommending adoption of this ordinance.

I. PRESENT SITUATION

The Code presently limits the CFC to not exceed \$3 per day.

II. POLICY CHANGE AND IMPLICATION

Until completion of the RCF, the maximum CFC would increase \$0.25, from \$3 per day to \$3.25 (+8.3%) following approval of the proposed ordinance.

Upon completion of the RCF, the amount of the CFC will be specified by the MDAD Director and is not limited to the amounts projected in **Item 1(E)(6)**.

TRANSPORTATION COMMITTEE ITEM 1(E)(6) & 1(F)(3)

June 17, 2004

III. ECONOMIC IMPACT

The proposed CFC change will increase MDAD revenues, but the amount of revenue to be provided remains to be determined.

IV. COMMENTS AND QUESTIONS

Item 1(E)(6) indicates that rental car activity at MIA was already declining in 2000, declined further post 9/11/01, and is forecasted to not return to 2000 levels until 2025, resulting in:

- Reevaluation of RCF financial feasibility
- Downward adjustments of several RCF parameters

Parameter	Original	Revised	Change	Pct Change
Initial phase costs	\$240 million	\$190 million	-\$50 million	-21%
Lobby space	50,275 sq. ft.	42,781 sq. ft.	-7,494 sq. ft.	-15%
Parking spaces	9,373	7,273	-2,100	-22%
Fuel positions	120	87	-33	-28%
Wash bays	35	30	-5	-14%
Rental companies	18 to 23	14	-4 to -9	-22% to -39%

The item also reports that minimum allocations for ready/return spaces and linear counter space frontage have been increased for the smaller rental car companies.

Attachment:

1 Sec. 25-4.1(f) Miami-Dade County Code of Ordinances

Attachment #1

(f) (1) Effective as of the date that the proposed consolidated Rental Car Facility located east of LeJeune Road to be designed and constructed by the Florida Department of Transportation as set forth in Resolution No. R-1268-99, is operational for the participating car rental companies having agreed to operate therein, all ground transportation courtesy vehicles by which customers of ground transportation companies are transported to or from Miami International Airport and the companies' places of business, shall be prohibited from operating on the lower and upper vehicular drives of such Airport and from picking up and dropping off their customers at any Airport facility or location other than the Rental Car Facility or the Miami Intermodal Center, as designated by Operational Directives. The term "ground transportation courtesy vehicles" shall include cars, vans, buses or other forms of vehicular transportation, but shall not include taxis, demand shuttle vans or buses, or for-hire vehicles subject to Chapter 31 of the Miami-Dade County Code. The term "ground transportation companies" include but are not limited to car rental companies, parking lot operators, and hotels and motels.

(2) Notwithstanding subsection (f)(1), the County Manager may exempt certain ground transportation companies from the prohibition contained in subsection (f)(1) and may permit such companies to pick up and drop off customers at a facility other than the Rental Car Facility or Miami Intermodal Center; provided, however, any such exemption shall be effective only after (a) a public hearing has been held at which all representatives of the ground transportation industry are invited to present their views, (b) the County Manager has determined that the exemption shall not adversely affect traffic congestion, air quality and passenger safety, and (c) such exemption has been set forth in an Administrative Order approved by the Board; provided further that any such exemption shall extend for a period of time and under such conditions as the County Manager determines; and provided further that no exemption from the requirements and restrictions of subsection (f)(1) shall be given under any circumstances to any car rental company.

(3) The Aviation Director shall have the authority to issue an Operational Directive from time to time for the following purposes:

(a) To provide for the use of the Terminal Building facilities and roadways by all ground transportation users during the Interim Period from the effective date of this ordinance to the date on which the Rental Car Facility is operational, and during the period thereafter;

(b) To provide for the date on which the Rental Car Facility is deemed operational for purposes of requiring all ground transportation courtesy vehicles subject to this ordinance and the Operational Directive to access their customers at the Rental Car Facility and not at the Terminal Building or other Airport location;

(c) To provide for all aspects of a temporary common shuttle vehicle operation between the Terminal Building and the Rental Car Facility by which ground transportation companies and their customers made subject to the Operational Directive make use of and pay for the costs of the common shuttle vehicle operation until the Airport's MIC MIA automated People Mover System is operational. The Operational Directive may permit the participating car rental companies to operate such a shuttle vehicle operation in their own name or names or through a company selected by them or may require selection of a company by the County through appropriate bidding procedures;

(d) To provide for the use of and payment for the Rental Car Facility, its roadways, and the MIC-MIA People Mover System after the Rental Car Facility and the People Mover System become operational, such Operational Directive to apply to all users of the Rental Car Facility and People Mover system, including the participating car rental companies operating within the Rental Car Facility and all other car rental companies picking up and dropping off their customers at a location or locations outside of the Rental Car Facility as designated by such Operational Directive; and

(e) To set forth the level of fees required to be paid by those car rental companies choosing to pick up and drop off their customers at the curbside or other designated location of the Rental Car Facility rather than to operate within such facility. Such fees

may include a Customer Facility Charge or a percentage of gross revenues, or a combination of both. To the extent such fees are based on a percentage of gross revenues of such companies generated by customers picked up or dropped off at the Rental Car Facility, such fees may be less than but shall not exceed the percentage of gross revenues approved by the Board for car rental companies operating within the said Facility.

(4) The Operational Directive shall require all car rental companies operating within the Rental Car Facility to charge and collect from their customers, commencing on and after the date on which the Rental Car Facility is operational, a Customer Facility Charge in an amount not less than the amount required to discharge the County's responsibilities and liabilities under agreements with the Florida Department of Transportation and sufficient to defray debt service on any loans for the acquisition of the property for and the design and construction of the Rental Car Facility, as well as operating and maintenance expenses related to the Rental Car Facility and allocated operating and maintenance expenses attributable to the MIC-MIA people mover system connecting the Rental Car Facility with the Airport's Terminal Building.

(5) The Operational Directive shall require that, commencing no earlier than January 1, 2002, and expiring no later than the date the Customer Facility Charge under subsection (4) above is effective, all car rental companies operating at Miami International Airport that have agreed to serve as participating car rental companies in the Rental Car Facility shall charge and collect from their customers a Customer Facility Charge not to exceed three dollars (\$3.00) per day per car rental contract in addition to all other fees established by contract or Operational Directive, such interim Customer Facility Charge to be determined by the Aviation Department and set forth in the Operational Directive, for the purpose of defraying ongoing costs applicable to the design and construction of the Rental Car Facility as well as existing costs to the Airport of providing facilities and services to such companies prior to the date on which the Rental Car Facility becomes operational and as additional payment for the companies' privilege of doing business at the Airport. The Operational Directive or contractual provision shall provide that, as to any such fees and to the extent permissible under federal law and any trust indenture applicable to the Airport, such fees shall be held by the Airport in a separate interest-bearing account for the purpose of defraying the costs of the Rental Car Facility.

(6) Except as provided in (4) and (5) above, none of the fees payable for the use of the Rental Car Facility shall be deemed to be fees mandated by the County unless the Operational Directive states that designated fees are so mandated. (Ord. No. 75-113, § 2, 12-2-75; Ord. No. 79-25, § 15, 3-20-79; Ord. No. 81-85, § 4, 7-21-81; Ord. No. 88-37, §§ 5, 6, 5-3-88; Ord. No. 95-41, §§ 67, 68, 3-7-95; Ord. No. 00-87, § 1, 7-6-00)

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION WAIVING COMPETITIVE BIDDING AND SETTING ASIDE FOR COMPETITION SOLELY AMONG BLACK BUSINESS ENTERPRISES PURCHASE OF AIRPORT PASSENGER AND BAGGAGE ASSISTANCE SERVICES AT MIAMI INTERNATIONAL AIRPORT; AWARDING MANAGEMENT AGREEMENT FOR AIRPORT PASSENGER AND BAGGAGE ASSISTANCE AT MIAMI INTERNATIONAL AIRPORT TO QUALITY AIRCRAFT SERVICES, INC.; APPROVING SUCH AGREEMENT BETWEEN THE COUNTY AND QUALITY AIRCRAFT SERVICES, INC.; AND AUTHORIZING THE COUNTY MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT AND TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED THEREIN

Aviation Department

I. SUMMARY

This proposed resolution would waive competitive bid requirements and award a three-year, \$25,583,308 BBE set-aside contract to Quality Aircraft Services, Inc. (Quality) for operation and management of passenger and baggage assistance services at Miami International Airport (MIA). This resolution previously forwarded with a favorable recommendation for approval by the Transportation Committee on May 20, 2004. At the request of a Committee member, it was deferred and referred back to the Transportation Committee by the BCC on June 8, 2004.

This award recommendation is changed from that which had appeared in a public hearing before the Transportation Committee Agenda as Item 3(D) on November 25, 2003 with a County Manager's recommendation for award to N & K Enterprises, Inc. The County Manager withdrew that recommendation.

Following the filing of a bid protest, the Hearing Examiner ruled in favor of Quality Aircraft Services' protest that, at the public hearing, the Committee Chairperson did not allow the firm to clarify and correct Quality Aircraft Services' bid which had mistakenly listed the annual amount of their proposed management fee instead of the monthly amount. The County Manager's revised award recommendation in this agenda item accepts and complies with the Hearing Examiner's recommendation.

II. PRESENT SITUATION

This contract was subject of competition from three BBE firms:

Final Rank	Firm	Proposed Management Fee*
1	Quality Aircraft Services, Inc.	\$140,000.04 per year/\$11,666.67 per month
2	N & K Enterprises, Inc.	\$180,000.00 per year/\$15,000.00 per month
3	Puryear, Inc.	\$140,000.04 per year/\$11,666.67 per month

* Other selection criteria considered included experience of the proposer, general manager's experience and qualifications, work plan, and employment plan.

III. POLICY CHANGE AND IMPLICATION

This award and the finding in the bid protest may provide precedent for future BCC Committee public hearing processes.

IV. ECONOMIC IMPACT

Estimated total cost of \$25,583,308 (Airport Revenue Funds) including:

- Management fee (\$11,666.67 per month/\$140,000.04 per year)
- Reimbursable operating expenses
 - Reimbursable operating expenses are "all direct costs of operation...including material costs, payroll and related expenses, utilities, bonds and insurance, audits, capital operating equipment, maintenance and such other operating expenses approved by the Department or described in the approved Annual Operating Budget." Reimbursable expenses are to be paid through an Imprest Operating Account funded by MDAD and an Imprest Payroll Account. (Art. 4.01-4.03, handwritten pp. 85-86).

Non-reimbursable expenses are defined in the contract (Art. 4.12, handwritten pp. 89-90).

V. COMMENTS AND QUESTIONS

- Like the recently approved MIA Fuel Farm management agreement, this contract does stipulate that the General Manager's salary and benefits, including fringe benefits, are not reimbursable expenses [Art. 4.12(G), handwritten pp. 89-90].
- Unlike the recently approved MIA Fuel Farm management agreement, this contract does not require the dedicated full-time on-site General Manager be or become a Miami-Dade County resident.
- Two of the three submitted bids contained exactly the same management fee to the penny (\$11,666.67 per month/\$140,000.04 per year.)

This contract includes checks and balances including:

- Annual operating budget and operating forecast which require MDAD approval;
- Weekly performance reports;
- Monthly financial statements;
- Quarterly financial report;
- Annual audited financial statement of operations under the agreement; and
- Various other reports (incident, daily airline carousel assignment, daily shift, & supervisor's report of employee job injury or disease).

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

***RESOLUTION APPROVING THE USE OF THE EQUITABLE DISTRIBUTION
PROGRAM (EDP) CONSULTANT POOL FOR SEVEN PUBLIC WORKS
DEPARTMENT (PWD) PROJECTS INCLUDED IN THE PEOPLE'S
TRANSPORTATION PLAN (PTP)***

Public Works Department

I. SUMMARY

This resolution would allow the Public Works Department (PWD) to access contractors from the County's Equitable Distribution Program (EDP) pool for services involved with seven (7) road projects contained in the Peoples' Transportation Plan (PTP).

II. PRESENT SITUATION

Currently, the PWD can access the EDP consultant pool for non-surtax funded projects costing less than \$1 million without BCC approval.

However, projects utilizing .5% Transportation Surtax must receive BCC and CITT approval for use of Consulting Services.

The Equitable Distribution Program

III. POLICY CHANGE AND IMPLICATION

This resolution would allow .5% surtax funded projects to utilize the EDP pool.

Approval of this resolution would enable the PWD to execute contracts for consulting services associated with projects costing less than \$1 million without BCC or CITT approval.

Passage of this resolution should have a positive impact on decreasing the amount of time needed to execute the consulting agreements associated with these seven (7) projects.

IV. ECONOMIC IMPACT

There is no negative fiscal impact associated with this resolution.

V. COMMENTS AND QUESTIONS

In light of recent struggles between the powers and duties of the CITT and the powers and duties of the BCC, any perception that this resolution would result in by-passing CITT approval might result in a non favorable vote on this item by the CITT.

Would this amendment result in an amendment to the PTP and the implementing ordinance?

If so, would this item require a 2/3 vote of the membership of the BCC?

TRANSPORTATION COMMITTEE ITEM 3(F)

June 17, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING EXECUTION OF CHANGE ORDER NO. 4 TO PROJECT NO. H010A FOR SOUTH TERMINAL PROGRAM CONSTRUCTION MANAGER AT RISK AT MIAMI INTERNATIONAL AIRPORT, WITH PARSONS ODEBRECHT JOINT VENTURE

Aviation Department

I. SUMMARY

This is a proposal for Change Order No. 4 to Parsons-Odebrecht J. V.'s (POJV) contract for the Miami International Airport (MIA) South Terminal project. The proposed change adds \$41.9 million (+6.4%) to the existing \$658.7 million contract. The total cost with Change Order No. 4 would be \$700.6 million.

The change provides:

- \$23.575 million for security related changes including:
 - \$22.275 million for Transportation Security Administration (TSA) requirements including baggage handling, explosive detection systems (EDS), TSA offices and adverse schedule impacts and contract fees; and
 - \$1.3 million for aircraft operations area (AOA) security devices.
- \$8.325 million for communications and information systems cabling, including substitution of fiber optic cables to improve security and reliability.
- \$10 million addition to the General Allowance Account, which presently has only 33% of its original, \$22.446 million amount remaining.

II. PRESENT SITUATION

The County Manager's memorandum recommending this item indicates that work orders have increased the time for contract completion by 377 days, but that none of these changes had been submitted as part of contract change orders, and no time extensions are requested in this proposed resolution (handwritten p. 6.)

III. POLICY CHANGE AND IMPLICATION

Though large in dollars (\$41.9 million), the recommended change represents only a 6.4% increase to the existing contract.

This item reports more than a year (377 days) was added by "work orders" to the contract's completion date without referral to the BCC for approved change orders.

IV. ECONOMIC IMPACT

Original Contract Amount:	\$658,700,000
Original Cost Estimate:	\$680,000,000
Previous Change Orders:	No change
This Change Order:	+\$41,000,000 (+6.4%)
Adjusted Total (including this change)	\$700,600,000

TRANSPORTATION COMMITTEE ITEM 3(F)

June 17, 2004

V. COMMENTS AND QUESTIONS

TSA continues to announce security initiatives that could impact future airport security requirements. On June 16, 2004 alone, the TSA announced:

- Study of new explosive trace detection technology (ETD) at the first of four airports selected for pilot studies (see Attachment #1); and
- Signing of contracts to implement "Registered Traveler Pilot Programs" (see Attachment #2) to expedite frequent flyer security screening at:
 - Minneapolis-St. Paul International (with Northwest Airlines),
 - Los Angeles International (with United Airlines),
 - George Bush Intercontinental/Houston (with Continental Airlines), and
 - Boston Logan International and Ronald Reagan Washington National (with American Airlines.)

Attachment #1

Collins, Gary (OLA)

From: TSAMediaAffairs@tsa.dot.gov
Sent: Wednesday, June 16, 2004 12:56 PM
To: garyc@miamidade.gov
Subject: T.F. Green Airport to Test New Explosive Trace Detection...

Press Office
U.S. Department of Homeland Security

Date: June 16, 2004

Media Contact: Ann Davis
617-733-8437 (cell)

T.F. Green Airport to Test New Explosive Trace Detection Technology For 45-Day Pilot Program

This week, the Transportation Security Administration (TSA) will introduce air travelers at T.F. Green State Airport to an Explosive Trace Detection Portal at the passenger security checkpoint, representing the first time TSA has deployed this state-of-the-art explosive trace detection (ETD) technology in an airport environment.

The Explosive Trace Detection Portal is designed to analyze air for traces of explosive material. Over the next 45 days, after proceeding through the Walk-Through Metal Detector as usual, some travelers at T.F. Green will then be asked to step into the trace portal and remain still for a few seconds while several quick "puffs" of air are released. A computerized voice will tell travelers when to exit the portal. This pilot program will yield important data on the efficacy of this equipment in an active airport environment with varying climates and how it impacts customer service and wait times.

T.F. Green State Airport will be the first of four airports to participate in the pilot program and serve as a test site for this emerging technology. The equipment will soon be introduced to travelers at San Diego (Calif.) International Airport, Tampa (Fla.) International Airport, and Greater Rochester (N.Y.) International Airport. GE IonTrack is providing TSA with four trace portal machines - one for each airport - for a 45-day testing period.

On Thursday, TSA will be available to discuss the pilot program, demonstrate how the trace portal operates and provide opportunities to obtain b-roll of the equipment at T.F. Green's passenger security checkpoint.

WHO: Joseph S. Salter, TSA Federal Security Director, T.F. Green Airport
Ann Davis, Northeast Regional Spokesperson, TSA

WHAT: Media Availability & Demonstration

WHEN: Thursday, June 17, 2004
11:30 a.m.

WHERE: Passenger Security Checkpoint , Upper Level
T.F. Green State Airport, West Warwick, Rhode Island

Attachment #2

Collins, Gary (OLA)

From: TSAMediaAffairs@tsa.dot.gov
Sent: Wednesday, June 16, 2004 10:02 AM
To: garyc@miamidade.gov
Subject: TSA ANNOUNCES INDUSTRY PARTNERS AND PROGRAM CONTRACTORS

~~Press-Office~~
U.S. Department of Homeland Security

June 16, 2004

Media Contact: TSA Public Affairs
571-227-2829

TSA ANNOUNCES INDUSTRY PARTNERS AND PROGRAM CONTRACTORS FOR REGISTERED TRAVELER PILOT PROJECT

WASHINGTON, D.C. - Rear Adm. David M. Stone, USN (Ret.), Acting Administrator for the Transportation Security Administration (TSA), today announced that TSA has reached agreements with its partners for the Registered Traveler program. TSA will be launching the experiment in Minneapolis-St. Paul International Airport with Northwest Airlines later this month. Checkpoint operations are scheduled to begin in early July.

In late July, TSA will implement the program in Los Angeles International Airport in coordination with United Airlines. In early August, TSA will begin operating in George Bush Intercontinental Airport/Houston in coordination with Continental Airlines. By the end of August, TSA intends to have the program also active in both Boston Logan International Airport (Mass.) and Ronald Reagan Washington National Airport both in coordination with American Airlines.

Following full and open competition, TSA today signed contracts for program management, biometrics, tactical operations, and systems integration. Unisys Corporation of Reston, VA was selected for Minneapolis, Los Angeles, and Houston and EDS of Herndon, VA for Boston and Washington. The Unisys contract was awarded at an initial value of \$2.47 million and the EDS contract at an initial value of \$1.31 million -- both are written for a term of 180 days.

"TSA is very pleased to announce the launch of the Registered Traveler Pilot Program in conjunction with our partners," said Admiral Stone. "TSA approached this pilot with the firm idea that security could not and would not be compromised and we believe that this pilot program will provide frequent travelers with the means to expedite the screening experience without compromising on security."

Participating air carriers will solicit participation in the program from frequent flyers who travel at least once a week in selected markets. Each volunteer will provide to TSA information including his or her name, address, phone number and date of birth along with a biometric imprint including finger and iris. TSA will then perform a security assessment of each volunteer that will include analysis of law enforcement and intelligence data sources and a check of outstanding criminal warrants. Once approved, the volunteer will be considered enrolled in the pilot program. Passengers will not be charged an enrollment fee during the pilot phase.

Once the program is operational at their home airports, volunteers will proceed to a Registered Traveler lane to provide their biometrics (either a finger or iris scan) at the checkpoint. This will confirm their valid registrations and allow them to proceed to primary screening while secondary screening will be largely eliminated.

For more information regarding TSA, please visit our website at www.tsa.gov.

TRANSPORTATION COMMITTEE ITEM 3(G)

June 17, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AWARDING THE LEASE AND CONCESSION AGREEMENT FOR A CENTRAL TERMINAL RETAIL PROGRAM DEVELOPER AT MIAMI INTERNATIONAL AIRPORT, RFP NO. MDAD 02-02 TO WESTFIELD CONCESSION MANAGEMENT, INC.; AUTHORIZING COUNTY MANAGER TO EXECUTE AGREEMENT AND TERMINATION OR CANCELLATION PROVISIONS CONTAINED THEREIN; WAIVING REQUIREMENTS OF RESOLUTION NO. R-377-04; WAIVING BID PROTEST PROCEDURES; WAIVING COMPETITIVE BID PROCESS

Aviation Department

I. SUMMARY

This proposed resolution would award the Miami International Airport (MIA) Central Terminal Retail Program Developer contract to Westfield Concession Management, Inc. (Westfield). The proposed award was negotiated with Westfield as directed by the BCC on May 11, 2004 in which the BCC determined that it was in the best interests of the County to negotiate a contract with Westfield rather than rejecting all bids and re-advertising as had been recommended by the County Manager. If approved, the proposed resolution would also waive competitive bid process requirements, bid protest requirements of Sec. 2-8.3 and 2-8.4 of the Code, and effective date requirements of R-377-04 that specifies that a "contract shall not become effective until the time for making a motion to reconsider has expired" unless waived.

The term of the proposed contract is a period of (a) five years after three hundred sixty-five (365) calendar days from the effective date or (b) five years from the beneficial occupancy of thirty (30) retail locations, plus the award includes an option to extend the agreement for up to two (2) years. Bid requirements included a 21% DBE goal, and Westfield's proposal indicated they will have 31.4% DBE subcontractor participation.

Westfield will be required to develop 36 retail locations that total 38,127 sq. ft. and will pay:

- A Minimum Annual Guarantee (MAG) based on Central Terminal Enplanements: \$0.25 per Domestic Enplanement and \$0.35 per International Enplanement (estimated to total approx. \$2.3 million per year), and
- A percentage of the amount by which monthly Gross Revenues exceeds the MAG. The percentage paid is based on a "blended rate" computed from the individual percentages specified in Art. 2.05 for each retail category (ranges from 8%-to-16%.)

II. PRESENT SITUATION

MDAD reports that the Central Terminal presently has insufficient retail facilities. Such a gap would result in both customer dissatisfaction and lost revenue.

TRANSPORTATION COMMITTEE ITEM 3(G)
June 17, 2004

III. POLICY CHANGE AND IMPLICATION

The Central Terminal Retail Program Developer award is for a single developer to operate all 36 designated retail facilities. By its nature, only a limited number of firms qualify as a "developer," leaving out many "prime concessionaires" that may otherwise have been interested in bidding on smaller packages of concessions.

IV. ECONOMIC IMPACT

Estimated revenue to MDAD: \$2,338,750.05 per year (estimate based on FY 2002-03 enplanements). Revenue will be generated by:

- o A Minimum Annual Guarantee (MAG) based on Central Terminal Enplanements: \$0.25 per Domestic Enplanement and \$0.35 per International Enplanement (estimated to total approx. \$2.3 million per year), and
- o A percentage of the amount by which monthly Gross Revenues exceeds the MAG. The percentage paid is based on a "blended rate" computed from the individual percentages specified in Art. 2.05 for each retail category (ranges from 8%-to-16%.)

V. COMMENTS AND QUESTIONS

The County Manager's memorandum recommending this item provides the following justification (handwritten p. 6) for the recommended waivers of competitive bid process, bid protests and effective date.

Further, it is recommended as being in the County's best interest for the Board to waive the requirements of Sections 2-8.3 and 2-8.4 of the Miami-Dade County pertaining to bid protests and to waive the requirements of Resolution No. R-377-04 pertaining to the effective date of an agreement for the following reasons: There is currently a lack of concessions in the Central Terminal area and the Department desires to proceed expeditiously with the Central Terminal Retail Program to quickly satisfy customer demand. Proceeding with an expeditious award of the agreement for the Central Terminal Retail Program will enable the Department to have some concession space open by Christmas 2004, thereby increasing potential sales and revenue.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING EXECUTION OF RETROACTIVE CHANGE ORDER NO. 2 (FINAL) TO CONTRACT TA01-MR21R BETWEEN MIAMI-DADE COUNTY AND MERKURY CORPORATION FOR AN INCREASE OF \$62,400.56 AND A TIME EXTENSION OF 33 CALENDAR DAYS

Miami-Dade Transit

I. SUMMARY

This resolution request approval of Change Order No. 2 (and Final) to the contract between Merkury Corp. and Miami-Dade County for the Douglas Road Pedestrian Overpass project.

II. PRESENT SITUATION

The Douglas Road Pedestrian Overpass was completed in the summer of 2003.

Miami-Dade Transit, the County Attorney's Office, and the contractor are still in negotiations to close out the contract.

III. POLICY CHANGE AND IMPLICATION

Change Orders are increasingly common policy for on-going and/or completed construction projects.

This resolution would allow the County to settle with the contractor and close out this project.

IV. ECONOMIC IMPACT

This change order represents a net increase of \$62,400 (or 4.9%) to the current contract cost of \$1,621,881.

Change Order No. 1 was approved by the BCC in October 2003 and resulted in a 21.7% increase in the contract amount from \$1.2 million to the current \$1.62 million contract amount.

This project was funded from the Local Option Gas Tax (LOGT).

V. COMMENTS AND QUESTIONS

The County Attorney's office is currently negotiations with the Design Consultant, Kan Mehta & Consultants in an attempt to recover approximately \$18,000 that were a result of Design Errors and Design Omissions.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING EXECUTION OF THE TWELFTH SUPPLEMENTAL AGREEMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN MIAMI-DADE COUNTY AND PARSONS BRINCKERHOFF QUADE & DOUGLAS, INC. TO PREPARE AN APPLICATION PACKAGE TO REQUEST PERMISSION FROM THE FEDERAL TRANSIT ADMINISTRATION TO ENTER INTO PRELIMINARY ENGINEERING, TO PREPARE AND SUBMIT A NEW STARTS APPLICATION AND COMPLETE THE FINAL ENVIRONMENTAL IMPACT STATEMENT (FEIS) FOR THE MIAMI INTERMODAL CENTER (MIC)/EARLINGTON HEIGHTS CONNECTOR

Miami-Dade Transit

I. SUMMARY

This resolution seeks approval of Supplemental Agreement No. 12 to a Professional Services Agreement between Miami-Dade County and Parsons Brinkerhoff Quade & Douglas, Inc. (PBQD) for the purposes of acting as environmental consultant on the North Corridor and MIC/Earlington Heights Connector projects.

II. PRESENT SITUATION

The original PSA was entered into in 1994 for an original amount of \$1,157,013.

The Department contends that utilization of Supplemental PSAs on long term projects, such as this, are better in terms of controlling costs and changes than are open ended lump sum contracts requiring Change Orders and/or amendments.

III. POLICY CHANGE AND IMPLICATION

On projects where Federal Funds are utilized, such as this one, it is required to provide on-going Environmental Impact Statements.

Supplements to current PSAs are consistent with County Policies.

IV. ECONOMIC IMPACT

This Supplemental Agreement increases the amount by \$303,463 from the current PSA amount (or approximately 5.6% from the current amount).

However, the total change in this agreement from the original amount has been approximately 500%. This is a misrepresentation however, because when the original amount was approved, in 1994, there was no accurate way to estimate the time and scope of work that would be required as a result of changes to the County's Transportation Plan. Thus, the department requested a PSA that could be supplemented upon approval by the Board.

Transportation ITEM 3(I)
June 17, 2004

V. COMMENTS AND QUESTIONS

Although the dollar amount associated with all 12 supplements to this agreement will most likely cause some commissioners to question the use of consultants related to the changes in original amounts. The office of Legislative Analysis agrees that supplementing PSAs with Board approval is a better method of allowing the Board to control costs rather than acting retroactively to Change Orders or Amendments.

Funding Source Discrepancy

On September 9, 2003 the BCC approved Supplement No. 11 to this PSA. In that Item 7(S)(1)(I), the funding source breakdown was listed as follows:

- 80% - Federal Transit Administration (FTA)
- 11% - Florida Department of Transportation (FDOT)
- 7% - Local Option Gas Taxes (LOGT)
- 2% - Decade of Progress funding

However, on this item referring to the same agreement, the funding source breakdown is listed as:

- 50% - Federal Transit Administration (FTA)
- 25% - Florida Department of Transportation (FDOT)
- 25% - Peoples Transportation Plan (PTP)

Why has the funding source for the same agreement changed?

June 17, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING EXECUTION OF RETROACTIVE CHANGE ORDER NO. 4 (FINAL) TO CONTRACT TA97-MR10-4 BETWEEN MIAMI-DADE COUNTY AND UNION SWITCH & SIGNAL FOR A DECREASE OF (\$18,468.40) AND A NON-COMPENSABLE TIME EXTENSION OF 60 CALENDAR DAYS

Miami-Dade Transit

I. SUMMARY

This item seeks approval of a Retroactive Change Order (No. 4) **Final** to Contract TA97-MR10-4. This contract is between Miami-Dade County and Union Switch & Signal Inc., for the provisions of electrical system contracting on the Palmetto Metrorail Extension.

II. PRESENT SITUATION

The extension of the Metrorail to the Palmetto Expressway opened for revenue service on May 30, 2003.

The history of Change Orders associated with this contract is as follows:

Change Order No. 1 - \$209,780 (3.65% of contract total) and 548 day time extension. These changes are needed as a result of delays in right-of-way acquisition and civil construction necessitating an increase in the term of the contract and associated costs to the contractor.

Change Order No. 2 - \$154,592 (2.7% of contract total). There was not a time extension associated with Change order No. 2.

Change Order No. 3 - \$126,145 (2.2% of contract total) and a 30 day time extension.

III. POLICY CHANGE AND IMPLICATION

Change Orders are consistent with County Policy.

Several commissioners have voiced concern regarding the number of Change Orders necessitated for some County projects.

IV. ECONOMIC IMPACT

Change Order No. 1	\$209,780
Change Order No. 2	\$154,592
Change Order No. 3	\$126,145
Change Order No. 3 (This Item)	(\$ 18,468) Decrease
Total change in cost to this contract	\$470,049 (Approximately 8%)

Transportation ITEM 3(J)
June 17, 2004

V. COMMENTS AND QUESTIONS

Including the contract with MCM Corp., the Metrorail Extension to the Palmetto Station was resulted in approximately 19 Change Orders.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING EXECUTION OF A CONTRACT WITH VIACOM OUTDOOR GROUP, INC. FOR PROVISION OF ADVERTISING SERVICES FOR TRANSIT VEHICLES, METRO RAIL STATIONS AND SOUTH MIAMI-DADE BUSWAY ADVERTISING KIOSKS; AND AUTHORIZING THE COUNTY MANAGER TO EXERCISE RENEWAL AND CANCELLATION PROVISIONS CONTAINED THEREIN

Miami-Dade Transit

I. SUMMARY

This resolution recommends the awarding of contract TR03-ADV to Viacom Outdoor Group, Inc. for Advertising Services on Miami-Dade Transit Vehicles, at Metrorail Stations, and along the South Miami-Dade Busway.

II. PRESENT SITUATION

In July 2000, the BCC approved the advertisement of RFP No. 278 (the original RFP) for Advertising on Transit Vehicles and at Passenger Shelters.

The previous contract for advertising on Transit Vehicles and at Passenger Shelters was awarded to **Gateway Outdoor Advertising (GOA)** on December 17, 1991. The original contract was for a term of five years with two (2) renewal provisions for up to Two years each. The contract called for GOA to pay the County a MAG or 60% of its net billings, whichever is greater.

After an audit of the original contract, it was recommended that GOA's proposal for RFP No. 278 be rejected. GOA was found to be non-responsive due to the fact that they owed monies to the County on the previous contract. Further, the Audit and Management Services Department stated that GOA refused to provide the County with documentation need during the audit in order for the County to quantify the net revenues received by GOA from the contract with MDT. It is estimated that GOA still owes the County in excess of \$1.1 million in outstanding debt.

Because GOA was deemed non-responsive, Viacom was left as the only qualified proposer for RFP No. 278. Subsequently, in light of what Viacom claimed as a downturn in the marketplace, Viacom amended their revenue proposal, decreasing their MAG by about 33 %. This reduction left MDT with no qualified proposer for RFP No. 278.

In light of Viacom's withdrawal of their original MAG, on July 23, 2002, the BCC approved the rejection of all proposals in relation to RFP 278 and approved the re-advertisement for proposals as RFP No. 278A.

On February 23, 2003 the new RFP No. 278A was issued.

Transportation ITEM 3(L)
June 17, 2004

Once again, only Gateway and Viacom responded and Gateway was found to be non-responsible leaving Viacom as the only proposer.

III. POLICY CHANGE AND IMPLICATION

Awarding this contract will enable the County to substantially increase the revenues received from advertising on Transit Vehicles and at Busway Kiosks.

IV. ECONOMIC IMPACT

This is a revenue generating contract for the County.

The negotiated terms call for Viacom to provide a Minimum Guarantee of \$5,000,000 for the initial five (5) term of the contract, or 60% of revenues derived directly from the sale of advertising on County property.

If the County and Viacom mutually opt for a renewal option, the Minimum Annual Guarantee (MAG) would increase to \$1,100,000.

V. COMMENTS AND QUESTIONS

It has been four (4) years since the original RFP No. 278 was approved to be advertised for this purpose.

It has been two (2) years since the BCC approved the rejection of RFP No. 278 and allowed the re-advertised as RFP No. 278A and now the County is back to recommend awarding to Viacom, the same sole responsive bidder as in 2002.

The time it has taken to award this contract has had a negative effect with regards to any substantial revenue that could have been derived had the County negotiated terms with Viacom in 2002.

The following was an option offered by the Office of Legislative Analysis on July 23, 2002:

“Due to the lack of willing and responsive providers in the current market place, one option may be to direct the County Manager to negotiate with the only responsive bidder, in this case Viacom, instead of starting a new procurement process that has already proven to be a time consuming option where this contract is involved”.

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION AUTHORIZING WAIVER OF FORMAL BID PROCEDURES AND PROVISIONS OF ADMINISTRATIVE ORDER 3-38 AND AUTHORIZING THE COUNTY MANAGER TO EXECUTE A CONTRACT WITH THE WACKENHUT CORPORATION WITH A TOTAL COMPENSATION CEILING NOT TO EXCEED \$89.5 MILLION FOR PROVISION OF SECURITY SERVICES FOR MIAMI-DADE TRANSIT AFTER REVIEW BY THE COUNTY ATTORNEY'S OFFICE; AND AUTHORIZING THE COUNTY MANAGER TO EXERCISE RENEWAL AND CANCELLATION PROVISIONS CONTAINED THEREIN

Miami-Dade Transit Agency

I. SUMMARY

This item seeks authorization for execution of a contract (TR04-SOS) with Wackenhut Corp. for Security Services at Miami-Dade Transit (MDT) facilities.

The Contract would be for five (5) years.

II. PRESENT SITUATION

Wackenhut is the current provider of Security Services for MDT. The current five (5) year contract was approved by the Board of County Commissioners (BCC) on October 19, 1999 and is set to expire in November 2004.

The current contract was a no bid contract that was awarded for substantially the same reasons as before you today. **(Only Wackenhut qualifies under the bid requirements).** That item was vetoed by the Mayor for the lack of a competitive process. The Mayor stated in his veto, that even if the company was the best and only firm, we should let the process work its way out so that the public perception would not be that we were awarding a \$40 million dollar contract without a bid.

The BCC over rode the Mayor at its meeting in November 1999 and the contract was awarded.

On February 3, 2004, the Board approved a \$14.8 million dollar amendment to the original contract increasing the contract ceiling to approximately \$57.8 million **(This represented an increase of approximately 40% to the original contract).** MDT contended that the increase was caused by additional security needs associated with enhancements to the PTP, including 24 hour Metrorail Service, as well as a result of 9/11.

Through recent amendments to the PTP, Board has reduced some of the anticipated enhancements, including 24 hour Metrorail and the amount of buses projected to be in place.

Should the current contract have been reevaluated at that time in terms of the need to build the extra money into the next contract?

Transportation ITEM 3(O)

June 17, 2004

Staff reports that only Wackenhut can satisfy the requirements for providing large scale armed private security. This was verified through surveys and questioners by staff. Staff also stated that new security requirements make this even more important. **It should be noted that many of the larger Transit agencies utilize Police officers which could reduce the amount of armed security guards required.** In fact the original "Transit not Tolls plan envisioned a larger police role which would have increased police on the transit system and reduced the need for such a large private security contract. That plan however was based on a full penny and not the half that was approved by voters.

It should also be noted that during this contract there have been violent incidents against the security guards themselves, in one case a guard had his gun stolen and was shot.

III. POLICY CHANGE AND IMPLICATION

This would keep with the Boards previous policy in overriding the Mayor's veto and awarding the contract to the only viable bidder (Wackenhut).

Continued waiver of competitive bidding procedures and requirements reduces the likelihood of other competitors becoming locally established in the future.

IV. ECONOMIC IMPACT

The requested contract ceiling for this contract is \$89,500,000 (or \$17.9 million per year).

MDT operating funds as well as PTP funds are slated to be used for this contract.

Comparison to other large County contracts:

Dade Aviation Consultants (DAC) – Approximately \$16 million per year.

Master Project Manager for PTP – Up to \$84 million over 7 years (or \$12 million per year.)

** This RFP has been advertised, but has not yet been awarded.*

V. COMMENTS AND QUESTIONS

The increase in total possible compensation for this contract, from the current contract ceiling of \$57.8 million to the requested contract ceiling of \$89.5 million, represents an increase of \$31.7 million (or over 50%) from the current contract.

****** Because the maintenance of effort for General Fund Support for MDT was established with the current contract in mind, would it be reasonable to assume that the total increased amount of \$31.7 million for the new contract would most likely have to be covered from the .5% Transportation Surtax?**

Transportation ITEM 3(O)

June 17, 2004

In the future this contract will require more money as new service is added. This will not occur during the life of the 5 year contract as no service enhancements of that magnitude will be completed by then.

Is the Mayor's original theme of his veto valid?

Would public perception be better if we went through the motions and made Wackenhut bid for the contract, or is it more efficient and practical to award the contract through negotiations with the Manager with the only firm we believe qualifies?

June 17, 2004

LEGISLATIVE ANALYSIS AND ECONOMIC IMPACT STATEMENT

RESOLUTION APPROVING THE PUBLIC WORKS DEPARTMENT'S USE OF BID NO. 1480-4/08 (SIGN BLANKS AND POSTS) FOR PEOPLE'S TRANSPORTATION PLAN (PTP) PROJECTS

Public Works Department

I. SUMMARY

The Public Works Department is requesting the ability to access an existing Signage contract, No. 1480-4/08, with McCain Sales of Florida, Inc.

This contract would allow for the Department to implement the Signage portion of its two (2) year Neighborhood Improvement portion of the Peoples' Transportation Plan (PTP) in a more expeditious manner.

II. PRESENT SITUATION

This contract went into effect on March 1, 2004 and runs through February 28, 2005.

The following six (6) County Departments have access to this contract:

- Aviation
- Parks & Recreation
- Public Works
- Seaport
- Solid Waste
- Transit

On April 27, 2004 the Board of County Commissioners approved Roadway Signage projects for inclusion into the PTP Neighborhood Projects.

III. POLICY CHANGE AND IMPLICATION

This would allow the Department to access an existing contract without going back out to bid for a new contractor for these services.

IV. ECONOMIC IMPACT

The Department was \$600,000 remaining for signage under this contract.

Any portion that is used for the Neighborhood Improvements portion of the PTP would be eligible for reimbursement from the Charter County Transportation (.5% Surtax) Funds.

V. COMMENTS AND QUESTIONS

None